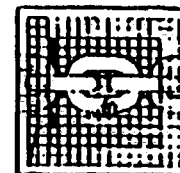




QUALITY POLICY



October, 1983

The quality of products and services is of the utmost importance for the continuity of our Company.

By adopting a quality policy aimed at complete control of every activity, maximum quality, productivity, flexibility and a reduction in cost prices will be achieved.

Every employee must be imbued with an attitude directed towards a continuous striving for improvements.

The Board of Management has decided to give vigorous direction to a Company-wide approach to quality improvement.

Further shape and content will be given to this initiative in the coming months.

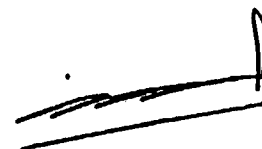
The main points of our quality policy are:

- 1 Quality improvement is primarily a task and responsibility of management as a whole.
- 2 In order to involve everyone in the Company in quality improvement, management must enable all employees – and not only the employees in the factories – to participate in the preparation, implementation and evaluation of activities.
- 3 Quality improvement must be tackled and followed up systematically and in a planned manner. This applies to every part of our organisation.
- 4 Quality improvement must be a continuous process.
- 5 Our organisation must concentrate more than ever on its customers and users, both outside and inside the Company.

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- 4 Quality improvement must be a continuous process.
- 5 Our organisation must concentrate more than ever on its customers and users, both outside and inside the Company.
- 6 The performance of our competitors must be known to all relevant units.
- 7 Important suppliers will have to be more closely involved in our quality policy. This relates to both external and internal suppliers of goods as well as of resources and services.
- 8 Widespread attention will be given to education and training. Existing education and training activities will be assessed, also with regard to their contribution to the quality policy.
- 9 Publicity must be given to this quality policy in every part of the Company in such a way that everyone can understand it.
All available methods and media will be used for internal and external promotion and for communication.
- 10 Reporting on the progress of the implementation of the policy will be a permanent point on the agenda in Review meetings.

The Quality Steering Group, under the direction of the Board of Management, together with the Corporate Quality Bureau will provide support and coordination at corporate level.



Dr. W. Dekker



PHILIPS

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